

Arnold Schwarzenegger, Governor State of California Business, Transportation and Housing Agency

980 Ninth Street, Suite 500 Sacramento, CA 95814-2738 Voice: 916/255-2385 Fax: 916/255-2294

E-mail: rfloyd@dmhc.ca.gov

IN REPLY, REFER TO FILE NO: 933-0055

VIA OVERNIGHT MAIL

October 6, 2006

Maria Borge-Bonkowski Director, HP Licensing/Submissions Kaiser Foundation Health Plan, Inc. 2101 Webster Street, 8th Floor Oakland, CA 94612

RE: MENTAL HEALTH PARITY SURVEY – OUTSTANDING DEFICIENCY STATUS REPORT

Dear Ms. Borge-Bonkowski:

The Department of Managed Health Care (the "Department") has completed its review of Kaiser Foundation Health Plan, Inc. (the "Plan's) response to the Mental Health Parity Survey Final Report, dated November 21, 2005, for Deficiencies 1 and 3. Deficiency 1 involved the Plan not ensuring that enrollees have timely access and ready referrals to routine mental health services; and Deficiency 3 involved the Plan incorrectly and inappropriately denying payment for emergency room claims. The Department required the Plan to submit additional information to demonstrate that it had corrected these deficiencies.

Based on information submitted by the Plan on September 11, 2006, the Department has determined that Deficiencies 1 and 3 have been corrected. No further action is required by the Plan. A copy of this correspondence is being placed in the Plan's Public File.

If you have any questions, please feel free to contact me at 916/255-2385.

Sincerely,

[Signed Original On File]

Roxann Floyd Staff Health Care Service Plan Analyst Division of Plan Surveys

cc: Dan McCord, Manager, Plan Survey Operations Lyndol Wilkins, Staff Counsel Pat Bober, Associate Health Care Service Plan Analyst